

**ASSEMBLY BILL**

**No. 230**

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**Introduced by Assembly Member Shirley Horton**

February 7, 2005

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An act to amend Sections 9542 and 9545 of the Welfare and Institutions Code, relating to aging.

LEGISLATIVE COUNSEL'S DIGEST

AB 230, as introduced, Shirley Horton. Alzheimer's Day Care Resource Centers.

The Mello–Greenland Older Californians Act establishes the Community–Based Services Network, administered by the California Department of Aging, which, among other things, requires the department to enter into contracts with local area agencies on aging to carry out the requirements of various community–based services programs. Among these programs are the Alzheimer's Day Care–Resource Center Program and the Linkages Program.

This bill would provide that in selecting direct service contractors for the Alzheimer's Day Care–Resource Center Program, and in awarding any contract for the Linkages Program, an area agency on aging would be required to use the competitive bidding process, except that after the initial contract with that contractor is entered, the bill would authorize the area agency on aging to continue to contract with that contractor without using the competitive bidding process, unless the area agency on aging deems it in the best interest of the state to use the competitive bidding process.

This bill would require an area agency on aging that continues a contract without using the competitive bidding process, to disclose this fact to the public at its annual public hearing. The bill would make other technical, nonsubstantive, and conforming changes.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 9542 of the Welfare and Institutions  
2 Code is amended to read:  
3 9542. (a) The Legislature finds and declares that the purpose  
4 of the Alzheimer's Day Care-Resource Center Program is to  
5 provide access to specialized day care resource centers for  
6 individuals with Alzheimer's disease and other dementiarelated  
7 disorders and *to provide* support to their families and caregivers.  
8 (b) The following definitions shall govern the construction of  
9 this section:  
10 (1) "Participant" means an individual with Alzheimer's  
11 disease or a disease of a related type, particularly the participant  
12 in the moderate to severe stages, whose care needs and  
13 behavioral problems may make it difficult for the individual to  
14 participate in existing care programs.  
15 (2) "Other dementia-related disorders" means those  
16 irreversible brain disorders that result in the symptoms described  
17 in paragraph (3). This shall include, but is not limited to,  
18 multi-infarct dementia and Parkinson's disease.  
19 (3) "Care needs" or "behavioral problems" means the  
20 manifestations of symptoms that may include, but need not be  
21 limited to, memory loss, aphasia (communication disorder),  
22 becoming lost or disoriented, confusion and agitation, with the  
23 potential for combativeness, and incontinence.  
24 (4) "Alzheimer's day care resource center" means a center  
25 developed pursuant to this section to provide a program of  
26 specialized day care for participants with dementia.  
27 (c) The department shall adopt policies and guidelines to carry  
28 out the purposes of this section, and the adoption thereof shall  
29 not be subject to Chapter 3.5 (commencing with Section 11340)  
30 of Part 1 of Division 3 of Title 2 of the Government Code.  
31 (d) In order to be eligible to receive funds under this section, a  
32 direct services contract applicant shall do all of the following:  
33 (1) Provide a program and services to meet the special care  
34 needs of, and *to* address the behavioral problems of, participants.

1 (2) Provide adequate and appropriate staffing to meet the  
2 nursing, psychosocial, and recreational needs of participants.

3 (3) Provide physical facilities that include the safeguards  
4 necessary to protect the participants' safety.

5 (4) Provide a program for assisting individuals who cannot  
6 afford the entire cost of the program. This may include, but need  
7 not be limited to, utilizing additional funding sources to provide  
8 supplemental aid and allowing family members to participate as  
9 volunteers at the applicant's facility.

10 (5) Utilize volunteers and volunteer aides and provide  
11 adequate training for those volunteers.

12 (6) Provide a match of not less than 25 percent of the direct  
13 services contract amount consisting of cash or in-kind  
14 contributions, identify other potential sources of funding for the  
15 applicant's facility, and outline plans to seek additional funding  
16 to remain solvent.

17 (7) Maintain family and caregiver support groups.

18 (8) Encourage family members and caregivers to provide  
19 transportation to and from the applicant's facility for participants.

20 (9) Concentrate on participants in the moderate to severe  
21 ranges of disability.

22 (10) Provide or arrange for a noon meal to participants.

23 (11) Establish contact with local educational programs, such  
24 as nursing and gerontology programs, to provide onsite training  
25 to students.

26 (12) Provide services to assist family members, including  
27 counseling and referral to other resources.

28 (13) Serve as model centers available to other service  
29 providers for onsite training in the care of these patients.

30 (14) Involve the center in community outreach activities and  
31 provide educational and informational materials to the  
32 community.

33 (15) Maintain a systematic means of capturing and reporting  
34 all required community-based services program data.

35 (e) A direct services contractor shall be licensed as an adult  
36 day program, as defined in paragraph (2) of subdivision (a) of  
37 Section 1502 of the Health and Safety Code, or as an adult day  
38 health care center, as defined in subdivision (b) of Section 1570.7  
39 of the Health and Safety Code, and shall be subject to the  
40 requirements of this division, including this chapter, for purposes

1 of operating an Alzheimer's day care resource center. If the  
2 direct services contractor surrenders its adult day program or  
3 adult day health care center license, or if the license has been  
4 terminated as a result of noncompliance with applicable licensure  
5 or certification standards, these actions shall also serve to  
6 terminate the direct services contractor's Alzheimer's day care  
7 resource center contract.

8 (f) An Alzheimer's day care resource center that was not  
9 licensed as an adult day program or adult day health care center  
10 prior to January 1, 2005, shall be required to be so licensed by  
11 January 1, 2008. A direct services program that qualifies to  
12 operate as an Alzheimer's day care resource center after January  
13 1, 2005, shall be required to be licensed as an adult day program  
14 or adult day health care center.

15 (g) Nothing in this chapter shall be construed to prevent  
16 existing adult day care services, including adult day health care  
17 centers, from developing a specialized program under this  
18 chapter. The applicants shall meet all of the requirements for  
19 direct services contractors in this chapter and satisfactorily  
20 demonstrate that the direct services contract funding award shall  
21 be used to develop a distinct specialized program for this target  
22 population.

23 (h) (1) *Except as provided in paragraph (2), in selecting a*  
24 *direct services contractor pursuant to this section, an area*  
25 *agency on aging shall use the competitive bidding process.*

26 (2) *After an area agency on aging has entered an initial*  
27 *contract with a contractor in accordance with paragraph (1), the*  
28 *area agency on aging may continue to contract with that*  
29 *contractor without using the competitive bidding process unless*  
30 *the area agency on aging deems it in the best interest of the state*  
31 *to use the competitive bidding process.*

32 (3) *If an area agency on aging continues a contract pursuant*  
33 *to this subdivision without using the competitive bidding process,*  
34 *the area agency on aging shall disclose this fact to the public at*  
35 *its annual public hearing.*

36 SEC. 2. Section 9545 of the Welfare and Institutions Code is  
37 amended to read:

38 9545. (a) The Legislature finds and declares that the purpose  
39 of the Linkages Program ~~shall be~~ *is* to provide care and case  
40 management services to frail elderly and functionally impaired

1 adults *in order* to help prevent or delay placement in nursing  
2 facilities. For purposes of this section, “care or case  
3 management” means all of the following:

4 (1) As appropriate, ongoing care or case management to frail  
5 elderly and functionally impaired adults to help prevent or delay  
6 placement in nursing facilities.

7 (2) Client assessment, in conjunction with the development of  
8 a service plan with the participant and other appropriate persons,  
9 to provide for needs identified by the assessment.

10 (3) Authorization and arrangement for the purchase of  
11 services, or referral, with followup, to volunteer, informal, or  
12 third-party payer services. Contractors shall maximize to the  
13 fullest extent possible the use of existing services resources  
14 before using program funds to purchase services for clients. Any  
15 benefits received as a result of these purchases either shall not be  
16 considered income for purposes of programs provided for under  
17 Division 9 (commencing with Section 10000) or shall not be  
18 considered an alternative resource pursuant to Section 12301.

19 (4) Service and participant monitoring to determine that the  
20 services obtained are appropriate to need, *are* of acceptable  
21 quality, and *are* provided in a timely manner.

22 (5) Followup with clients, including periodic contact and  
23 initiation of an interim assessment, if deemed necessary, prior to  
24 scheduled reassessment.

25 (6) Assistance to older individuals entering or returning home  
26 from nursing facilities and who need help to make the transition.

27 (7) Comprehensive and timely information, when necessary,  
28 to individuals and their families about the availability of  
29 community resources; *in order* to assist functionally impaired  
30 adults and the frail elderly to maintain the maximum  
31 independence permitted by their functional ability.

32 (8) Short-term specialized assistance, including timely  
33 one-time-only assistance in securing community resources,  
34 counseling, and the arrangement of an action plan, when there is  
35 a temporary probable threat to the ability of the frail elderly  
36 person or functionally impaired adult to remain in the most  
37 independent living arrangement permitted by his or her  
38 functional ability.

39 (b) Contractors of the Linkages Program shall have experience  
40 in community long-term care services and *the* capability to serve

1 ~~the~~-frail elderly and functionally impaired adults; and, where  
2 applicable, ensure separateness of the programs and demonstrate  
3 protective measures to avoid conflict of interest.

4 (c) Contractors of the Linkages Program shall have a  
5 systematic means of capturing and reporting all required  
6 community-based services program data.

7 (d) (1) Each county shall deposit funds collected pursuant to  
8 Section 1465.5 of the Penal Code in its general fund, to be  
9 available for use only for the support of services provided under  
10 this chapter in that county, including county administrative costs  
11 not exceeding 10 percent of the funds collected, except as  
12 otherwise provided in this subdivision. A county may join with  
13 other counties to establish and fund a program of services under  
14 this chapter.

15 (2) Funds utilized pursuant to this section shall not supplant,  
16 be offset against, or in any way reduce funds otherwise  
17 appropriated for the support of services provided under this  
18 chapter.

19 (e) (1) *Except as provided in paragraph (2), in awarding a*  
20 *contract pursuant to this section, an area agency on aging shall*  
21 *use the competitive bidding process.*

22 (2) *After an area agency on aging has awarded a contract to a*  
23 *contractor in accordance with paragraph (1), the area agency on*  
24 *aging may continue to contract with that contractor without*  
25 *using the competitive bidding process unless the area agency on*  
26 *aging deems it in the best interest of the state to use the*  
27 *competitive bidding process.*

28 (3) *If an area agency on aging continues to contract with a*  
29 *contractor pursuant to this subdivision without using the*  
30 *competitive bidding process, the area agency on aging shall*  
31 *disclose this fact to the public at its annual public hearing.*